

# Agilent Technologies

## Q3'22 Financial Results Overview



# Safe Harbor

These presentations contain forward-looking statements (including, without limitation, information, and future guidance on the company's goals, priorities, revenue, revenue growth, earnings per share, operating margin, operating cash flow, capital expenditures, capital allocation, growth opportunities, new products and solutions, customer service and innovation plans, financial condition and considerations, impact of acquisitions, share repurchases, dividends, the markets the company sells into, operations, manufacturing site plans and tax rates) that involve risks and uncertainties that could cause results of Agilent to differ materially from management's current expectations. The words "anticipate," "plan," "estimate," "expect," "intend," "will," "should," "forecast," "project" and similar expressions, as they relate to the company, are intended to identify forward-looking statements.

In addition, other risks that the company faces in running its operations include the ability to execute successfully through business cycles; the ability to successfully adapt its cost structures to continuing changes in business conditions; ongoing competitive, pricing and gross margin pressures; the risk that our strategic and cost-cutting initiatives will impair our ability to develop products and remain competitive and to operate effectively; the impact of geopolitical uncertainties on our markets and our ability to conduct business; the impact of currency exchange rates on our financial results; the ability to improve asset performance to adapt to changes in demand; the ability to successfully introduce new products at the right time, price and mix, the adverse impacts of and risks posed by the COVID-19 pandemic, and other risks detailed in the company's filings with the Securities and Exchange Commission, including our quarterly report on Form 10-Q for the quarter ended April 30, 2022.

The company assumes no obligation to update the information in these presentations. These presentations and the Q&A that follows include non-GAAP measures. Non-GAAP measures exclude primarily the impacts of asset impairments, amortization of intangibles, transformational initiatives, acquisition and integration costs, change in fair value of contingent consideration, loss on extinguishment of debt, business exit and divestiture costs, pension settlement loss and net gain on equity securities. We also exclude any tax benefits that are not directly related to ongoing operations and which are either isolated or are not expected to occur again with any regularity or predictability. With respect to the company's guidance, most of these excluded amounts pertain to events that have not yet occurred and are not currently possible to estimate with a reasonable degree of accuracy. Accordingly, no reconciliation to GAAP amounts has been provided.

# Agilent Results Q3'22

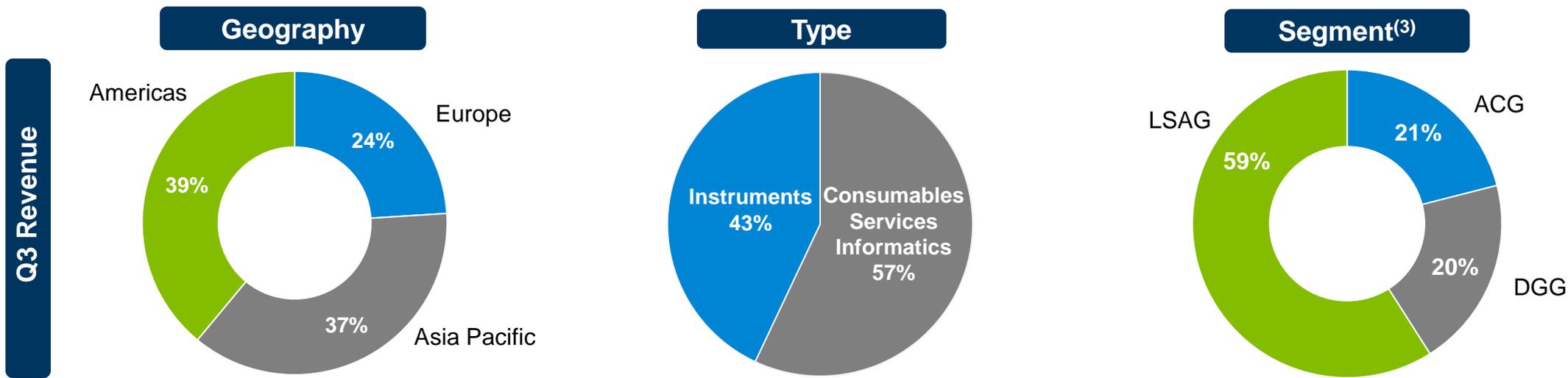
A leading lab partner with unsurpassed capabilities and scale

## Q3'22 Financial Metrics

- **Revenues:** \$1.72B, +8.4% reported, +13.2% y/y core<sup>(1)(2)</sup> (-4.8% FX).
- **Operating Margin:** 27.5%<sup>(2)</sup> of revenue, up 150 basis points y/y.
- **EPS:** \$1.34<sup>(2)</sup>, up 22% y/y.

## Q3'22 Highlights

- **Growth:** broad strength across our end markets, with Pharma and C&E once again delivering outstanding results. Strong performance in China and the Americas highlighted regional results.
- **Margins:** topline growth combined with expense discipline to deliver excellent year over year margin improvement.
- **Capital Allocation:** generated operating cash of \$326M, invested \$82M in capex, paid \$62M in dividends, and repurchased 2.7M shares for \$323M.



(1) Core growth is reported growth adjusted for the effects of acquisitions and divestitures, and FX.

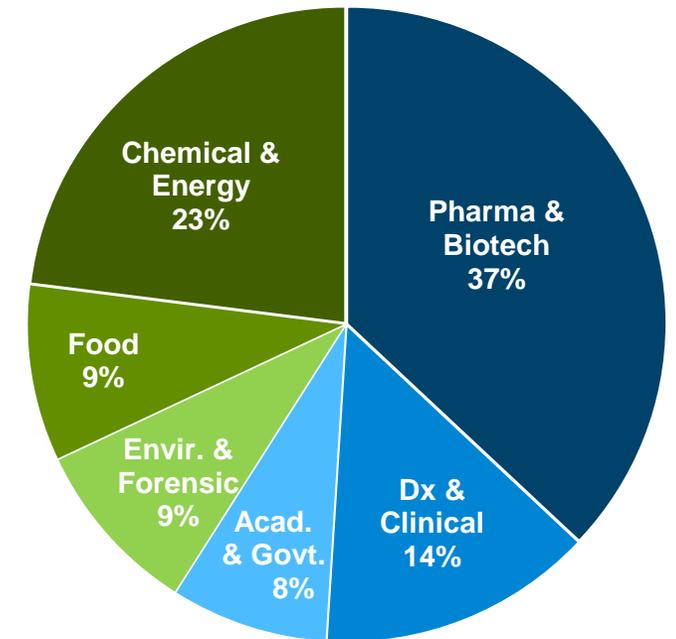
(2) Presented on a non-GAAP basis; reconciliations to closest GAAP equivalent provided.

(3) In Q1'22, Agilent implemented certain changes to its segment reporting structure. Historical segment information has been recast to reflect these changes.

# Growth in a \$65B+ Market – Q3'22 Core Growth<sup>(2)</sup> Results by End Market

Continued momentum in Pharma and C&E

- **Pharma & Biotech:** Up 16% on broad strength across pharma, including BioPharma and small molecule, and across the Americas, China, and Europe.
- **Chemical & Energy:** Up 22% driven by continued strength in chemicals and advanced materials.
- **Academia & Govt:** Up 5% on robust growth in China.
- **Environmental & Forensics:** Up 11% as public and private access to funding for PFAS testing increases in the Americas.
- **Food:** Up 11% as commercial food testing demand increases to serve expanding supply chains, and China invests to drive improved self-sufficiency.
- **Diagnostics and Clinical:** Up 2% against a tough +28% compare last year, with solid performance in clinical cancer testing.



Agilent Revenue by End Market <sup>(1)</sup>

(1) % of Q3'22 Agilent revenue

(2) Core growth is reported growth adjusted for the effects of acquisitions and divestitures and FX .

# Life Sciences & Applied Markets Group (LSAG)

## Instrumentation, Informatics, and Consumables for Analytical Laboratories



- **Q3'22 Revenue of \$1,019M**
- **Y/Y Growth: +14% (+18% core<sup>(1)(2)</sup>)<sup>(3)</sup>**

- **Q3 core revenue performance** reflected broad strength across end markets, with Pharma, Chemical & Energy, Food, and Environmental & Forensics all registering double-digit growth. On a platform basis, Spectroscopy grew in the low-thirties while LC & LCMS instruments grew in the high-twenties for the quarter.
- **Launched the next generation of workhorse LC-TQ 6475** at ASMS, with on-board intelligence and software to drive automation, including intelligent reflex to automate key steps for customers.
- **Announced the release of MassHunter BioConfirm 12.0 software** to support oligonucleotide purity analysis and sequence confirmation by high-res LC/MS in biotherapeutics and vaccine research and development.
- **Introduced an industry-first hydro-inert source** for GC-SQ and GC-TQ, enabling customers to seamlessly migrate from helium to hydrogen as supplier gas.
- **Q3'22 Operating Margin** was 30.5%<sup>(2)</sup>, up 260bps<sup>(3)</sup> versus last year.

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# Agilent CrossLab Group (ACG)

## Analytical Laboratory Services



- **Q3'22 Revenue of \$359M**
- **Y/Y Growth: +5% (+10% core<sup>(1)(2)</sup>)<sup>(3)</sup>**

- **Q3 brought another quarter of double-digit growth performance for CrossLab**, with all end markets and regions delivering core growth versus last year. Robust instrument sales and a +1ppt year-over-year increase in service agreement connect rates drive near-term installation and training volumes while building a backlog of longer-term recurring revenues.
- **ACG has optimized its operations to become the custodian of the end-to-end customer experience** that delivers productivity and efficiency — and deepens trust.
- **Q3'22 Operating Margin** for the quarter was 24.6%<sup>(2)</sup>, up 20 bps<sup>(3)</sup> versus last year.

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# Diagnostics and Genomics Group (DGG)

## Pathology, Genomics, and Nucleic Acid Manufacturing



- **Q3'22 Revenue of \$340M**
- **Y/Y Growth: -2% (+3% core<sup>(1)(2)</sup>)**

- **Q3 core revenue growth** of 3% after growing 37% last year. Growth was driven by clinical cancer testing and NGS, while our NASD facility had a planned shutdown impacting year-on-year growth.
- **Announced that previously CE-IVD marked instruments, reagents, and kits were released as IVDR Class A**, compliant with the new EU IVDR regulation. These Class A IVDR-compliant products span the entire DGG product portfolio, from qPCR and NGS preparation instruments to H&E stains, staining instruments, and conjugated secondary antibody reagents.
- **Q3'22 Operating Margin** was 21.5%<sup>(2)</sup>, down 110 bps versus last year.

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# Q4'22 and FY22 Guidance and Forward-looking Considerations

Based on July 31, 2022 Exchange Rates

Q4'22 Guidance <sup>(1)</sup>		
	Low End	High End
<b>Net Revenue (\$M)</b>	<b>\$1,750</b>	<b>\$1,775</b>
<i>Y/Y Core Revenue Growth <sup>(2)</sup></i>	<i>10.3%</i>	<i>11.8%</i>
<i>Assumes -5.0% FX, +0.1% M&amp;A</i>		
<b>EPS</b>	<b>\$1.38</b>	<b>\$1.40</b>

FY22 Guidance <sup>(1)</sup>		
	Low End	High End
<b>Net Revenue (\$M)</b>	<b>\$6,750</b>	<b>\$6,775</b>
<i>Y/Y Core Revenue Growth <sup>(2)</sup></i>	<i>9.9%</i>	<i>10.3%</i>
<i>Assumes -3.3% FX, +0.2% M&amp;A</i>		
<b>EPS</b>	<b>\$5.06</b>	<b>\$5.08</b>

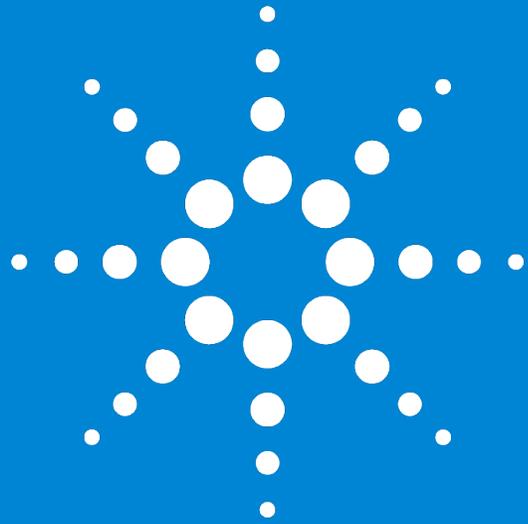
## FY22 Financial Considerations

- Net Interest + Other Income/Expense: ~\$41M in net expense (~\$12M in Q4)
- Non-GAAP Tax Rate at 14.0%
- Guidance assumes full year average diluted share count of 300M
- CapEx of \$300M and Operating Cash Flow of ~\$1.3B
- Shareholder Returns: \$253M in dividends. Anti-dilutive share repurchases at a minimum. Q3YTD share repurchases total \$1.0B.
- \$0.6B capacity remaining under current share repurchase authorization<sup>(3)</sup>

(1) As of Aug 16, 2022, based on July 31, 2022 exchange rates. Presented on a non-GAAP basis.

(2) Core growth is reported growth adjusted for the effects of acquisitions and divestitures, and FX.

(3) Per 10b5-1 plan, maximum of 2.6M shares to be purchased on daily systematic basis.



# Agilent

Trusted Answers